STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

March 14, 2008

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii PSF No.:07od-072

Oahu

Grant of Term, Non-Exclusive Easement, to Telstra, Inc. for Telecommunication Lines Purposes; Issuance of a Construction and Management Right-of-Entry; Keawaula, Waianae, Oahu, Tax Map Key: 8-1-01:07, 08 plus seaward and 18.

APPLICANT:

Telstra, Inc., a Delaware corporation, whose business and mailing address is 40 Wall Street, 40th Floor, New York, New York 10005.

LEGAL REFERENCE:

Section 171-13 & 53, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Waianae situated at Keawaula, Waianae, Oahu, identified by Tax Map Key: 8-1-01:07, 08 plus seaward and 18 as shown on the attached map labeled Exhibit A.

AREA:

17.003 acres, more or less.

ZONING:

State Land Use District: Conservation
City & County of Honolulu LUO: P-1 Restricted Preservation

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ____ NO \underline{x}

CURRENT USE STATUS:

The subject location is encumbered by various leases and they are all for telecommunication transmission purposes: GL 5104 to American Telephone and Telegraph, 46-year term (4/28/83 to 4/27/2029)

GL 5509 to AT&T Submarine Systems, Inc. 65-year term (10/28/94) to 10/27/2059 and GL 5555 to American Telephone and Telegraph, 37-year term (9/25/92) to 9/24/2029

CHARACTER OF USE:

Right, privilege and authority to install, operate, maintain, and repair the telecommunication transmission lines over, under and across State-owned land.

COMMENCEMENT DATE:

To be determined by the Chairperson.

EASEMENT TERM:

Thirty-five (35) years.

CONSIDERATION:

One-time payment to be determined by independent or staff appraisal establishing fair market rent, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The Board approved Telstra's Conservation District Use Application OA-3435 on January 25, 2008.

DCCA VERIFICATION:

Place of business registration confirmed: YES NO $x \times x$ Registered business name confirmed: YES NO $x \times x$ Applicant in good standing confirmed: YES NO $x \times x$ *The consultant for Telstra is checking to see if they need to be registered in Hawaii

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Pay for an appraisal to determine a one-time payment;
- 2) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost; and
- Process and obtain subdivision approval at Applicant's own cost.

REMARKS:

Telstra is requesting to install a fiber optic cable that will be laid on the sea floor until it reaches the near shore area at Kaena State Park where it will then be buried along with the existing cables used by other telecommunication companies to reach the existing cable station and onshore telecommunications

infrastructure. This fiber optic cable will provide additional communication capacity and reliability between Australia, and Hawaii and the U.S. mainland.

The following agencies submitted comments to the Office of Conservation and Coastal Lands during the CDUA process and the applicant provided responses to all of the comments: State Department of Health, Office of Hawaiian Affairs, Department of Land and Natural Resources, Divisions of Aquatic Resources, Engineering, Forestry and Wildlife, Oahu District Land Office, State Parks, City and County of Honolulu, Department of Planning and Permitting.

The applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

RECOMMENDATION: That the Board:

- 1. Subject to the Applicant fulfilling all of the applicant requirements listed above, authorize the issuance of a thirty-five (35) year term non-exclusive easement to Telstra, Inc. covering the subject area for telecommunication transmission purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current term easement document form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
 - D. Applicant shall comply with all of the conditions stated in the CDUP OA-3435 as approved by the Board on January 25, 2008.
- 2. Authorize the issuance of a construction and management right-of-entry to remain in effect until the easement document is executed, subject to the following:
 - A. The standard terms and conditions of the most current management right-of-entry form, as may be amended from time to time; and
 - B. Such other terms and conditions as may be prescribed

BLNR - Term easement to Telstra

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by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Al Jodar

Land Agent

APPROVED FOR SUBMITTAL:

aura H. Thielen, Chairperson

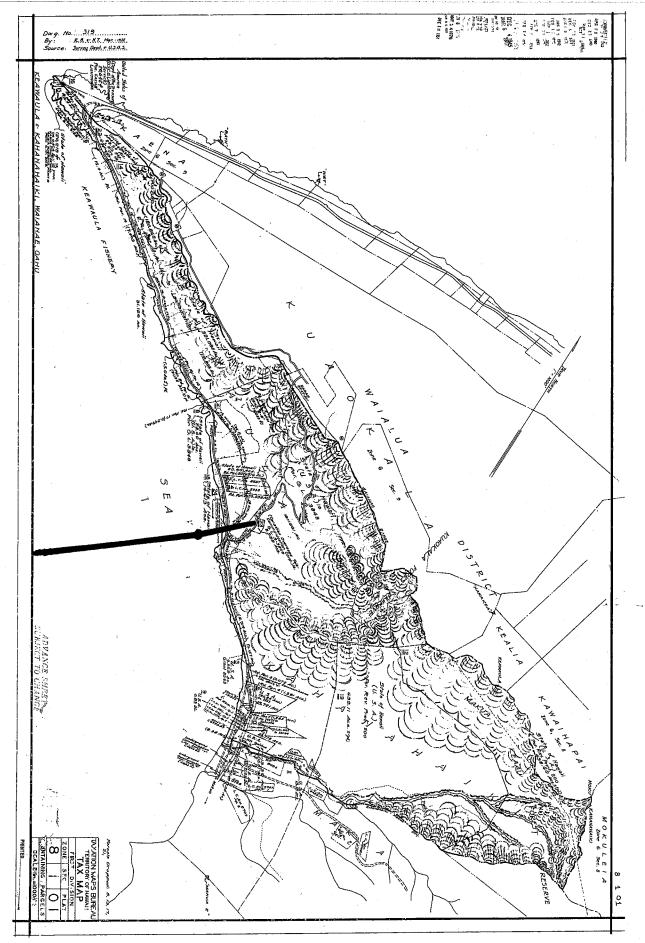


EXHIBIT "A"